

**THE NATIONAL COMPANY LAW TRIBUNAL
COURT VI, NEW DELHI
I.A. 5050/2021
IN
Company Petition No. (IB) – 3105 (ND) /2019**

*Under Section 33(2) of the Insolvency and Bankruptcy Code,
2016 for liquidation of the corporate debtor*

In the matter of:

M/s. PPG ASIAN PAINTS PVT. LTD

.... PETITIONER/
FINANCIAL CREDITOR

VERSUS

M/s. HARSH SPECIALITY COATING PVT. LTD.

..... CORPORATE DEBTOR

In the matter of:

RESHMA MITTAL

.... Applicant (RP)

Order Pronounced on: 15.02.2022

CORAM:

SHRI.P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)

SHRI. RAHUL BHATNAGAR, HON'BLE MEMBER (TECHNICAL)

For the Applicant: Ms. Reshma Mittal, R.P.



ORDER

PER- RAHUL BHATNAGAR , MEMBER (TECHNICAL)

1. This is an application filed by the Resolution Professional, under Section 33(1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as the "Code") for issuance of directions for liquidation of Corporate Debtor, M/s. Harsh Speciality Coating Private Limited.
2. The facts in brief are that one of the Operational Creditors, M/s. PPG Asian Paints Pvt. Ltd., had filed an application under Section 9 of the Code, bearing number IB- 3105 (PB)/2019, for initiation of Corporate Insolvency Resolution Process (CIRP), against the Corporate Debtor. The said application was admitted by this Tribunal on 12.02.2021, thereby initiating CIRP against the Corporate Debtor and therein, appointed Mr. Romesh Chander Sawhney, as the Interim Resolution Professional (IRP).
3. Thereafter, the RP had issued a public announcement in Form-A, which was published in 'The Financial Express' (English) and 'Jansatta' (Hindi), both NCR editions on 17.02.2021, calling on the creditors to submit their claims along with proofs. On receipt of claims and their verification / collation, the Committee of Creditors (CoC) was constituted by the Applicant.



4. Thereafter, on 13.03.2021 in the first meeting of CoC, the IRP expressed his unwillingness to be appointed as RP due to his personal reasons. In the second CoC meeting on 09.07.2021, considering the unwillingness of the IRP to be appointed as RP, the CoC members unanimously passed the Resolution to appoint Ms. Reshma Mittal as RP.
5. In the fourth meeting of the CoC held on 26.08.2021, the RP proposed publication of EoI, eligibility criteria for submission of Resolution Plan and Evaluation Matrix. The CoC in its commercial wisdom dissented the said publication.
6. Further, by the order of this Tribunal dated 05.10.2021, Ms. Reshma Mittal (having IBBI registration No. IBBI/IPA-001/IP-00297/2017-78/10541), was appointed as RP
7. In the fourth meeting of the CoC, held on 26.08.2021, the RP informed the members that as mandated by Regulation 27 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process of Corporate Debtor) Regulations, 2016, the following had been appointed to conduct the valuation of the assets of the Corporate Debtor:

Name of the Valuer	Class of Assets
CA Mohit Kumar	Securities, Financial Assets & Fixed Assets
Mr. Varun Bhatia	Securities & Financial Assets

8. The valuation summary, as submitted by the applicant is as follows:

S. No.	Name of Valuer	NATURE OF ASSET	Fair Value	Liquidation Value
1.	CA Mohit Kumar	Securities, Financial Assets & Fixed Assets	Rs.13,339	Rs.13,339
2.	Mr. Varun Bhatia	Securities & Financial Assets	Rs.13,338.82	Rs.13,338.82

9. The CoC, in its sixth CoC meeting, held on 19.10.2021, passed a resolution for liquidation of the Corporate Debtor under section 33 of IBC, 2016. The Resolution was passed with 100% vote. Following resolutions were passed:

“RESOLVED THAT pursuant to section 33(2) of Insolvency and Bankruptcy Code, 2016, the




Corporate Debtor should be liquidated and Resolution Professional is directed to file an application for liquidation of the Corporate Debtor”

“RESOLVED THAT *Ms. Reshma Mittal, Resolution Professional having Registration Number IBBI/IPA001/IP00297/2017-18/10541 is appointed as Liquidator.*

That both of the above mentioned resolutions were approved with 100% votes.

10. This Tribunal agrees with the COC which in its commercial wisdom has deemed it fit not to issue EOI seeking Resolution proposals.
11. In the result the application is allowed by ordering liquidation of the corporate debtor, namely M/s. Harsh Speciality Coating Private Limited with following directions:
- a. That *Ms. Reshma Mittal*, the Resolution Professional of the Corporate Debtor, is relieved from the present assignment as Resolution Professional.
 - b. That *Ms. Reshma Mittal*, holding Registration No. *IBBI/IPA-001/IP-P00297/2017-18/10541*, is appointed as the Liquidator in terms of


Section 32(1) of the Code;

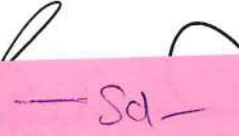
- c. Registry is directed to communicate this Order to the Registrar of Companies, NCT of Delhi & Haryana and to the Insolvency and Bankruptcy Board of India;
- d. The Order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under Section 33(5) of the Insolvency and Bankruptcy Code shall commence;
- e. This order shall be deemed to be notice of discharge to the officers, employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016;
- f. The Liquidator is directed to proceed with the process of liquidation in the manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 and in accordance with the relevant rules and regulations.
- g. The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.
- h. The liquidator shall also follow up the pending



applications for their disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.

- i. The Liquidator shall submit Preliminary Report to the Adjudicating Authority within seventy-five days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016;
- j. Copy of this order be sent to the financial creditors, corporate debtor and the Liquidator for taking necessary steps;
- k. I.A. 5050 (ND)/2021 filed in IB- 3105 (ND)/2019 is disposed of in terms of the aforesaid terms.


(RAHUL BHATNAGAR)
MEMBER (TECHNICAL)


(P.S.N. PRASAD)
MEMBER (JUDICIAL)